

# Management

## Discussion and Analysis

### 管理層討論及分析





## GENERAL OVERVIEW

The Board of Directors of the Company (the “Board”) is pleased to report that for the year ended 31st December, 2004, the Group has made a consolidated net profit after taxation and minority interests of approximately HK\$163.30 million, an increment of 16.50% over the net profit of HK\$140.18 million for 2003. A basic earnings per share of 6.26 HK cents was recorded for the year under review (2003: 5.37 HK cents).

The sound performance in 2004 was mainly due to recognition of sale proceeds of a property development project of the Group in Shanghai that has made a positive contribution of approximately HK\$118.79 million to the Group’s results. In addition, the Group recorded an unrealised holding gain on securities investment of approximately HK\$57.42 million and a reversal of impairment loss of approximately HK\$18.56 million on properties under development owing to a rise in market price of the listed security held and an improvement of market sentiment in Macau respectively. The Group, however, shared a loss of approximately HK\$3.13 million from an associated company in Shanghai.

## 概覽

本公司董事局（「董事局」）欣然匯報，截至二零零四年十二月三十一日止年度，本集團錄得除稅及少數股東權益後綜合溢利淨額約163,300,000港元，較二零零三年之溢利淨額約140,180,000港元增加16.50%。於回顧年度內，每股基本盈利為6.26港仙（二零零三年：5.37港仙）。

二零零四年表現穩健之主因，乃確認本集團位於上海之物業發展項目之銷售所得款額，該項目為本集團業績帶來正面貢獻約118,790,000港元。此外，由於持有之上市證券市價上揚及澳門市場氣氛有所改善，本集團錄得持有證券投資之未變現收益及撥回發展中物業之減值撥備分別約57,420,000港元及18,560,000港元。然而，本集團佔了上海一間聯營公司之虧損約3,130,000港元。

## OPERATIONS REVIEW

Property development and investment in Shanghai, the People's Republic of China (the "PRC") contributed to the entire turnover of the Group of approximately HK\$328.79 million for the year under review and was the principal business of the Group. Besides, the Group holds an investment in a listed security in Hong Kong and a 60% interest in a plot of vacant land in Taipa, Macau.

## 業務回顧

於中華人民共和國（「中國」）上海之物業發展及投資為本集團貢獻了於回顧年度內之全部營業額約328,790,000港元，乃本集團之主要業務。此外，本集團持有一項香港上市證券投資及澳門氹仔一幅空置土地之60%權益。



Zhangjiang Tomson Garden (Phase 1)  
張江湯臣豪園一期

## Property Development and Investment

### 上海大道置業有限公司

上海大道置業有限公司 is a 93.53% subsidiary of the Company and has completed the development of Phase 1 of Tomson Beautiful Space in Zhangjiang Hi-Tech Park, Pudong, Shanghai in 2004. Phase 1 comprises 250 residential units in 12 blocks of apartment houses of 5 or 7 storeys and its total gross floor area amounts to approximately 47,500 square meters.

## 物業發展及投資

### 上海大道置業有限公司

上海大道置業有限公司為本公司擁有93.53%權益之附屬公司，已於二零零四年完成位於上海浦東張江高科技園區之湯臣豪庭第一期之發展。第一期項目包括12幢5層或7層高之公寓樓房，共250個住宅單位，總樓面面積約為47,500平方米。該項目

The project was sold out entirely and was the principal source of profit of the Group for the year ended 31st December, 2004. The properties have been handed over to the purchasers since October 2004.

The Group has commenced construction of Phase 2 of Tomson Beautiful Space in June 2004 and completion is scheduled in mid 2006. The new phase will be composed of over 400 residential units in 22 blocks of apartment houses of 4 to 6 storeys with a total gross floor area of approximately 96,000 square meters.

#### **Shanghai Zhangjiang Micro-electronics Port Co. Ltd.**

Apart from the direct development by its subsidiaries, the Group is also engaged in property development and investment in Shanghai through its investment in a 37% interest in the registered capital of Shanghai Zhangjiang Micro-electronics Port Co. Ltd. (the "Associate") which is a joint venture incorporated in Shanghai. During the year under review, the Group shared a loss of approximately HK\$3.13 million from the Associate as the Associate has been suffered from a high finance cost and made a provision for impairment loss on a piece of land held.



已全部售出，並為本集團截至二零零四年十二月三十一日止年度之主要溢利來源，而有關物業亦已自二零零四年十月起交付予買家。

本集團已於二零零四年六月開始動工興建湯臣豪庭第二期，預計於二零零六年年中竣工。此新一期項目將包括22幢4至6層高之公寓樓房中逾400個住宅單位，總樓面面積約為96,000平方米。

#### **上海張江微電子港有限公司**

本集團除透過其附屬公司直接發展外，亦透過持有一間於上海註冊成立之合營企業——上海張江微電子港有限公司（「該聯營公司」）之註冊資本中之37%權益而於上海從事物業發展及投資。於回顧年度內，由於該聯營公司之融資成本一直高企，並為一幅所持土地作出減值撥備，本集團分佔其虧損約3,130,000港元。





Intellectual Office Buildings at Zhangjiang Micro-electronics Port  
張江微電子港智能化辦公大樓

The Associate has developed a residential property project, namely Zhangjiang Tomson Garden, a business centre and blocks of intellectual office buildings in Zhangjiang Hi-Tech Park, Pudong, Shanghai. In addition to the properties under development, the Associate has a land bank of a site area of over 300,000 square meters in Zhangjiang Hi-Tech Park for residential and commercial development and has already completed the resettlement and relocation process of its land bank during 2004.

### **Zhangjiang Tomson Garden**

Phase 1 of Zhangjiang Tomson Garden is composed of two types of residential units, namely semi-detached garden houses and apartment houses. Construction of the semi-detached garden houses and apartment houses was completed in 2003 and 2004 respectively and all the gross floor area of the development of approximately 65,100 square meters was sold.

Phase 2 of Zhangjiang Tomson Garden is planned for development of a total of 34 residential blocks of 8 to 16 storeys with a total gross floor area of over 230,000 square meters and will be developed by 3 stages. Construction works of the first two stages of Zhangjiang Tomson Garden (Phase 2) started in August 2004 and March 2005 respectively and are scheduled for completion in the second half of 2006.

該聯營公司已於上海浦東張江高科技園區發展一項名為張江湯臣豪園之住宅物業項目、商業中心及多幢智能化辦公大樓。除發展中之物業外，該聯營公司於張江高科技園區亦擁有地盤面積逾300,000平方米作住宅及商業發展用途之土地儲備，其土地儲備之動遷程序已於二零零四年完成。

### **張江湯臣豪園**

張江湯臣豪園第一期包括兩類住宅單位，分別為聯體別墅及公寓樓房。聯體別墅及公寓樓房之建築工程已分別於二零零三年及二零零四年完成，而全個發展項目之總樓面面積約65,100平方米經已售罄。

張江湯臣豪園第二期計劃發展合共34幢8至16層高之住宅樓房，總樓面面積逾230,000平方米，將分三個階段進行。第二期項目之首兩個階段之建築工程已分別於二零零四年八月及二零零五年三月展開，預計於二零零六年下半年落成。

### **Business Centre**

Construction of the business centre (Phase 1) of a total gross floor area of almost 26,500 square meters was completed in February 2004 and a partial alteration was then finished in December 2004. The business centre will be a focal point of dining and beverage, recreation and cultural activities in the region and is scheduled for opening in April 2005.

### **Intellectual Office Buildings**

As the case of the business centre, Phase 1 of the intellectual office buildings was completed in February 2004. It comprises 3 office blocks and provides a saleable gross floor area of approximately 42,700 square meters, of which around 62% was on lease as at 31st December, 2004.

### **Securities Investment**

The Group now holds an approximately 14% interest in the total issued share capital of Tomson Group Limited, a listed company in Hong Kong and one of the major property developers in Pudong, Shanghai. An unrealised holding gain on the securities investment of approximately HK\$57.42 million was recorded for the year under review due to a rise in share price of Tomson Group Limited. The Group intends to keep such securities investment as a long-term investment.

## **FINANCIAL REVIEW**

### **Liquidity and Financing**

The Group's capital expenditure and investments for the year ended 31st December, 2004 were mainly financed by its cash on hand and operating revenue.

At the balance sheet date, the cash and cash equivalents of the Group amounted to approximately HK\$180.82 million. During the year under review, the Group's operations generated a cash inflow of approximately HK\$155.60 million while a net cash outflow of approximately HK\$77.41 million was resulted from investing activities of the Group. After accounting for the cash outflow of approximately HK\$66.36 million from financing activities of the Group, the net cash inflow of the Group for the year amounted to approximately HK\$11.83 million (2003: HK\$157.74 million). The drop in the cash inflow in 2004 was mainly attributable to an investment of HK\$78.93 million in properties under development and a repayment of a bank loan of HK\$65.81 million.

### **商業中心**

第一期商業中心之總樓面面積接近26,500平方米，已於二零零四年二月落成，而部份改建工程其後於二零零四年十二月完工。該商業中心將成為區內飲食、消閒及文化活動之焦點，並計劃於二零零五年四月開幕。

### **智能化辦公大樓**

與商業中心一樣，智能化辦公大樓第一期亦已於二零零四年二月竣工。該項目包括三幢辦公大樓，提供可售總樓面面積約42,700平方米。於二零零四年十二月三十一日，該總樓面面積中約62%已租出。

### **證券投資**

本集團現時持有湯臣集團有限公司（一家香港上市公司，並為上海浦東主要物業發展商之一）之全部已發行股本中約14%權益。於回顧年度內，由於湯臣集團有限公司之股價上揚，本集團錄得持有證券投資之未變現收益約57,420,000港元。本集團擬保留該項證券投資作為長期投資。

### **財務回顧**

#### **流動資金及融資**

本集團截至二零零四年十二月三十一日止年度之資本開支及投資所需資金主要來自其手頭現金及營運收益。

於結算日，本集團之現金及等同現金項目約達180,820,000港元。於回顧年度內，本集團來自經營業務所得之現金流入約為155,600,000港元，而本集團之投資業務所帶來之現金流出淨額則約為77,410,000港元。於計入本集團融資活動所帶來約66,360,000港元之現金流出後，本集團於本年度之現金流入淨額約為11,830,000港元（二零零三年：157,740,000港元）。二零零四年之現金流入減少主要由於投資約78,930,000港元於發展中物業及償還一項銀行貸款約65,810,000港元所致。

After the aforesaid repayment of the bank loan, the Group did not have any borrowing at the balance sheet date (2003: HK\$65.69 million) and all the liabilities of the Group were due for repayment within one year from the balance sheet date.

As at 31st December, 2004, the Group recorded a current ratio and a gearing ratio (total liabilities to shareholders' funds) of 4.91 times and 5.19% (2003: 2.05 times and 35.95%) respectively. The improvement in the current ratio and gearing ratio was mainly attributable to recognition of sale proceeds of the properties completed in the year, which has been classified as deferred revenue under current liabilities in the financial statements for 2003.

In addition, the Group had capital commitments amounting to approximately HK\$99.69 million (2003: HK\$53.16 million) in respect of expenditure on construction of properties under development which has been contracted for but not provided in the financial statements for 2004.

#### Charge on Assets

A land use right of a piece of land of the Group in Shanghai with a carrying value of approximately HK\$123.38 million was pledged to a bank to secure a long-term loan of HK\$65.69 million as at 31st December, 2003. As the Group has repaid such loan in 2004, the relevant asset charge was then released and hence no asset of the Group was subject to any charge as at 31st December, 2004.

#### Foreign Exchange Exposure

As all of the assets and liabilities of the Group are denominated in Hong Kong Dollars or Macau Pataca or United States Dollars or Renminbi, the Group does not expect any significant exchange risk exposure.

償還上述銀行貸款後，本集團於結算日並無任何借貸（二零零三年：65,690,000港元），而本集團之所有負債均須於自結算日起計一年內償還。

於二零零四年十二月三十一日，本集團錄得流動比率及資本負債比率（即負債總額對股東資金比率）分別為4.91倍及5.19%（二零零三年：2.05倍及35.95%）。流動比率及資本負債比率得以改善是主要由於確認在年內落成之物業之銷售所得款額所致，而該等款項於二零零三年度之財務報表中列作流動負債項下之遞延收益。

此外，本集團有關於發展中物業之已訂約但未於二零零四年度財務報表中撥備之建築開支之資本承擔約為99,690,000港元（二零零三年：53,160,000港元）。

#### 資產抵押

於二零零三年十二月三十一日，本集團將一幅位於上海之土地（賬面值約為123,380,000港元）之土地使用權抵押予銀行，以作為一筆為數65,690,000港元之長期貸款之擔保。由於本集團已於二零零四年償還該筆貸款，有關資產抵押亦相繼被解除，故於二零零四年十二月三十一日，本集團並無抵押任何資產。

#### 匯兌風險

由於本集團所有資產及負債均以港元或澳門元或美元或人民幣列值，故本集團並不預期有任何重大匯兌風險。

### Contingent Liabilities

In 2004, the State Administration of Taxation in the PRC promulgated a circular to all local tax bureaus requiring them to levy land appreciation tax on property developers. In the opinion of the Board, after meeting with the officials responsible for land appreciation tax of the local tax bureaus of Shanghai at which the Group's principal property development projects situated, the Group is unlikely to receive demands from the local tax bureaus for the payment of land appreciation tax in respect of its sales of properties. Though the Group has not been able to secure any written confirmation from the local tax bureaus, the Board considers the chance that land appreciation tax might be levied is less than probable. Accordingly, no provisions for land appreciation tax have been made in the financial statements for the year under review. Should such levies take place, then land appreciation tax attributable to the Group will amount to approximately HK\$24.74 million (2003: Nil).

### PROSPECT

The demand in the property market in Shanghai, no matter residential or commercial sectors, remains strong and the Board is optimistic to the Group's investment there. Though the recent implementation by the PRC government of certain austerity measures and the likeliness of strict enforcement of the levy of land appreciation tax on sale proceeds from property trading may affect the results of the Group's property development business in Shanghai, the Board is confident that the impact will be trivial. The management will nevertheless keep an eye on the market development and review regularly the development and marketing plans of the property projects of the Group and the Associate in Zhangjiang Hi-Tech Park, Pudong, Shanghai.

### 或然負債

於二零零四年，中國國家稅務總局向所有地方稅務局頒佈通函，要求向物業發展商徵收土地增值稅。經與上海（本集團主要物業發展項目所在地）當地稅務局負責土地增值稅之官員會面後，董事局認為當地稅務局不大可能要求本集團就其物業銷售繳納土地增值稅。雖然本集團未能取得由當地稅務局發出之任何書面確認，董事局認為可能被徵收土地增值稅之機會極微。故此，本集團並無於回顧年度內就土地增值稅於財務報表中作出撥備。倘須徵收土地增值稅，則本集團應付之土地增值稅約為24,740,000港元（二零零三年：無）。

### 前景

上海之物業市場（不論是住宅或商業物業）仍然湧現強勁需求，董事局對本集團於當地投資抱樂觀態度。雖然中國政府近期已實施若干經濟緊縮措施，並有可能嚴格執行對物業銷售所得款額徵收土地增值稅，令本集團於上海之物業發展業務之業績可能受到影響，然而，董事局深信有關影響將為輕微。惟管理層將會密切注視市場發展，並定期檢討本集團及該聯營公司於上海浦東張江高科技園區之物業項目之發展及市場推廣計劃。



Business Centre at Zhangjiang Micro-electronics Port  
張江微電子港商業中心





Besides, the management is closely monitoring the market situation in Macau and will explore any development opportunities of the Group's property portfolio there with due care.

## DIRECTORS AND STAFF

Taking this opportunity, the Board would like to welcome the three new Directors, Mr Lu Yihao, Madam Xu Mei and Mr Zhang Hong Bin and wishes to thank Messrs Hua Ming, Ji Jie Ping and Sun Yong, the ex-directors, for their services to the Company during their tenures. The Board also regrets the passing away of Mr Tong Cun Lin and extends its condolences to Mr Tong's family and its sincere appreciation to Mr Tong for his past contribution to the Group.

The Group engaged around 30 employees in its various offices in Hong Kong, Macau and Shanghai as at 31st December, 2004. The total staff cost for the year amounted to approximately HK\$1.56 million. Remuneration paid to salaried staff of the Group is determined by reference to market terms, individual responsibilities and performance. In addition, the Company has adopted a share option scheme pursuant to which options are allowed for granting to directors and employees of the Company and its subsidiaries to subscribe for shares in the Company.

The Board would like to express its gratitude to all the staff members of the Group for their effort and commitment over the years.

On behalf of the Board

**Chen Jianbo**

*Chairman*

Hong Kong, 15th April, 2005

此外，管理層正密切監察澳門之市況，並將審慎地為本集團於當地之物業組合尋求發展機遇。

## 董事及員工

董事局謹此歡迎三位新董事 — 陸怡皓先生、許玫女士及章宏斌先生，並向前任董事花明先生、季界平先生及孫勇先生於任期內對本公司所作出之服務致謝。董事局亦對湯君年先生之辭世深表遺憾，並向湯先生之家屬致以深切慰問及對湯先生過往對本集團所作之貢獻深表謝意。

於二零零四年十二月三十一日，本集團於香港、澳門及上海多個辦事處共僱用約30名員工。年內總員工成本約為1,560,000港元。本集團向僱員所支付的薪金經參考市場價格、個人職責及表現而釐訂。此外，本公司已採納一項購股權計劃，據此，可向本公司及其附屬公司之董事及僱員授出購股權以認購本公司股份。

董事局謹此向本集團全體員工多年不懈努力表示謝意。

代表

董事局

主席

**陳劍波**

香港，二零零五年四月十五日